

KOONTZ LILLIS ANN
Form 4
January 04, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
KOONTZ LILLIS ANN

2. Issuer Name and Ticker or Trading Symbol
MOLINA HEALTHCARE INC
[MOH]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
2277 FAIR OAKS BLVD, STE 440
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/30/2005

____ Director
 Officer (give title below) _____ Other (specify below)
VP, Health Plan Operations

SACRAMENTO, CA 95825

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock					17,908 ⁽¹⁾	D	
Common Stock	12/30/2005		J ⁽²⁾	323 A	\$ 26.64	18,231	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Options (Right to Buy)	\$ 25.33					02/10/2005 ⁽³⁾ 02/10/2014	Common Stock	15,000
Stock Options (Right to Buy)	\$ 4.5					⁽⁴⁾ 12/27/2010	Common Stock	9,240
Stock Options (Right to Buy)	\$ 44.29					07/01/2006 ⁽⁵⁾ 07/01/2015	Common Stock	5,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KOONTZ LILLIS ANN 2277 FAIR OAKS BLVD, STE 440 SACRAMENTO, CA 95825			VP, Health Plan Operations	

Signatures

Lillis Ann Koontz, by Jeff D. Barlow,
Attorney-in-Fact.

Date
01/04/2006

**Signature of Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) 1,241 of the shares are fully vested. 16,667 of the shares represent restricted stock granted under the Molina Healthcare, Inc. 2002 Equity Incentive Plan, with one-half of the 16,667 shares to vest on each of 9/13/2006 and 9/13/2007.

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- (2) The shares were acquired under the Molina Healthcare, Inc. 2002 Employee Stock Purchase Plan.
- (3) The options vest one-third on each of 2/10/2005, 2/10/2006, and 2/10/2007.
- (4) The options became fully exercisable upon the closing of the initial public offering of the issuer.
- (5) The options vest one-third on each of 7/1/2006, 7/1/2007, and 7/1/2008.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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